

ECONOMIC DEVELOPMENT OBJECTIVES

OBJECTIVE #1

To cultivate a supportive environment for entrepreneurship. We will enhance the growth of Cambridge's economy by cultivating small businesses and by working with businesses that want to relocate to Cambridge.

Number of Businesses to be Served:

The Cambridge community's overall quality of life is based, in part, on business growth and stability. The Economic Development Division's efforts focus on supporting entrepreneurship by providing a broad range of services to assist small businesses including working to maintain a diversified employment base and monitoring changes in the job base.

Toward this end, the Division has several programs that are operated internally and others that work with collaborative partnerships. We will continue to form alliances with support agencies to provide assistance to low-income, small businesses in order to increase their ability to provide job opportunities for our residents.

The Economic Development Division offers technical and financial assistance to low-income Cambridge retailers through its Retail Best Practices Program. This Program provides matching grants for well-designed storefronts and interior renovations. The goal is to assist low-income business owners understand merchandising and marketing which will help increase the sales capacity thus increasing their income.

Complimenting the Retail Best Practices Program is the Signage and Lighting Program which is another matching grant program. This program enhances the Retail Best Practices Program in that many retailers often pair these programs for greater impact. We will continue to provide services to low-income retailers using our Best Retail Practices Program. With the assistance of retail and merchandising consultants, we will help 25 existing low-income, small business retailers and restaurateurs re-design their window-displays and the interiors of their establishments for maximum customer appeal which should lead to increased business capacity.

We also offer a Small Business Loan Fund which has been developed in collaboration with several Cambridge-based banks and provides low interest loans to small low-to-moderate-income businesses of up to \$150,000. Our staff works with these businesses to prepare their loan packages for presentation to local lending institutions. We also assist with business plan development as well.

We will publish a Minority and Women-owned Business Directory with the names of at least 400 women-owned businesses and at least 200 minority-owned businesses in

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Cambridge. This directory is used as a networking mechanism tool in order to help low-to-moderate women and minority-owned businesses increase their earnings capacity. We will provide business development assistance to a minimum of 45 low-to-moderate minority and women-owned businesses throughout the city of Cambridge. We will use a combination of CDBG funding and funding from general taxation to accomplish these goals.

For those companies that wish to locate in Cambridge, the Economic Development Division provides location assistance. Through an agreement with CoStar Realty Information, Inc., which monitors the local real estate market. For fiscal year 2003, we will provide assistance to a minimum of 25 companies seeking spaces of less than 2000 sq. ft.

Additionally, we will conduct at least 4 business development events in order to provide detailed information for micro-enterprise development among low-income individuals within the city.

The Department will continue its assistance to the Cambridge Business Development Center, (CBDC). The CBDC has been a delegate agency working in partnership with the city to provide seminars for low-income Cambridge businesses. They have provided seminars entitled "Business Planning" and on "How to Start a Business" for a minimum of 36 low-income individuals.

Expected Resources:

- ***Federal Funds***
CDBG Program
- ***Local Funds***
Local Taxes for CBD Center
- ***Private Funds***
Cambridge Savings Bank
East Cambridge Savings Bank
Cambridge Trust Company
Century Bank & Trust Company
Atlantic Bank

Strategies:

Community Development Block Grant:

Fiscal Year 2003 and prior year funds will be used to supplement the efforts of the Cambridge Business Development Center. The funds will help cover the cost for training and outreach programs targeting income-eligible micro-enterprises

The Retail Best Practices program will use prior year funding in order to retain the consultants so that they can continue working with income eligible small businesses.

Tax Revenues:

Local real estate taxes to be used to support the Department's efforts in the publishing of the Minority and Women-owned Business Directory, the business assistance to low and moderate income minority and women-owned businesses, the location assistance initiative and support the management costs of the staff who will develop and manage these programs.

Banks:

Local banks fund the Small Business Loan Funds.